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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 04/25/08

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- (1) Scanner column: Prime Minister decides to establish "consumer agency" next fiscal year

YOMIURI (Page 3) (Full)  
April 25, 2008

Tomonobu Takenouchi

Prime Minister Fukuda declared he would establish a "consumer agency" in fiscal 2009 in order to unify administration for consumer and bolster consumer policy, which falls behind other countries. Can an improvised agency function effectively? Consumer organizations assert that the key to whether the new agency can function properly lies in whether laws and authorities currently placed under the jurisdiction of each ministry or agency are transferred to the new agency.

"Return my 18-year-old son to me. For whom did the Ministry of Economy, Trade and Industry (METI) fail to release information on accidents?"

This remark came from Sachiko Ueshima (54), when she spoke before a gathering hosted by the Unica Net (Unica stands for Unification of Consumer Administration) in Tokyo on April 22. The Unica Net is composed of some 45 consumer organizations across the country.

Ueshima lost her second son in November 2005 from carbon monoxide

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poisoning caused by a water heater manufactured by Paloma Industries. METI knew a similar accident occurred in succession, but it failed to take any preventive measures.

The gathering was also taken part in by families of victims who died from eating tainted gelatin or died in elevator accidents. One victim family member claimed: "In order to prevent a recurrence of a similar tragedy, an administrative body to address prevention of accidents needs to be established."

On April 23, Prime Minister Fukuda unusually assumed a top-down approach and decided to launch a consumer agency before the Council for Promotion of Consumer Administration, a panel of experts,

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releases its final conclusion. He did so, bearing in mind the rising public criticism of bureaucratic sectionalism, as well as the public's strong interest in safety and security.

According to the policy announced by Fukuda, the new consumer agency will handle all consumer-related problems, for instance, commodities and monetary transactions, safety and labeling of food and products. The agency will engage in consumer policy-planning, enforce law, and give recommendations to firms and other ministries and agencies. It will serve as a control tower for consumer administration.

The Japan Housewives' Association's Secretary-General Mariko Sano noted: "We give high marks to (the prime minister's stance) of promoting reform. We hope the consumer agency will be launched as quickly as possible, but we don't want it to be improvised. We hope the agency will be given strong authority and function effectively."

Attention from now on is likely to be focused on how much consumer-related laws and authorities now placed under the jurisdiction of more than one ministry or agency, for instance, the Ministry of Health, Labor and Welfare, and the Ministry of Financial Services, will be transferred to the new consumer agency.

The Unica Net's Representative Sanae Hara said: "In order to implement a unified policy, at least 28 laws, such as the Specific Commodity Exchange Law now under the jurisdiction of METI, and the Law for the Prevention of Unreasonable Premiums and Misrepresentation concerning Products and Service under the jurisdiction of the Fair Trade Committee, should be transferred to the new consumer agency."

At a hearing held early April by the Council for the Promotion of Consumer Administration, however, ministries and agencies whose authorities will be reduced are opposed to the transfer of their authorities. One official argued: "Expertise we have cultivated so far will be essential. Government officials in charge of industrial promotion, (such as METI), is capable of consumer administration."

In addition to the unification of authorities, how to strengthen on-the-spot consumer administration is another big challenge. The consumer administration-related budget in local municipalities amounted to some 10.8 billion yen in fiscal 2007. The figure was down by half from fiscal 1995. Most consultants at consumer service centers are nonregular workers, and their status is unstable.

Koichi Hosokawa, associate professor (of consumer policy) at Japan Women's University, said: "The Japanese administration system has given the highest priority to nurturing industries. Can this system be changed? Unifying consumer administration is a global trend."

(2) Prime Minister Fukuda off to Russia today

SANKEI (Page 2) (Excerpts)  
April 25, 2008

Keiichi Takagi

Prime Minister Yasuo Fukuda will depart for Russia today on a three-day schedule. He is to meet separately with President Putin, who is to step down shortly, as well as president-elect Medvedev (currently First Deputy Prime Minister). A challenge for Japan in

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its diplomacy toward Russia is how to restart Northern Territories negotiations, which had been in effect forced into a stalemate in the days of the Koizumi and Abe administrations. Fukuda plans to orchestrate a stage to conclude a peace treaty with Russia under the banner of upgrading bilateral ties to a higher level, but Japan's "one-sided love" to Russia in terms of the Northern Territories is unlikely to change so suddenly. Can the prime minister's trip to Russia mark a breakthrough for him to draw Russia into a game of endurance that envisions an "exit" of the game, namely, the signing of a peace treaty?

New game of endurance starts over Northern Territories

A senior official of the Ministry of Foreign Affairs (MOFA) stressed the importance of the prime minister's visit to Russia by noting: "It will serve as a springboard for Japan and Russia to address the territory issue from a medium and long-term perspective."

Tomorrow, Fukuda is scheduled to have the first meeting with President Putin and president-elect Medvedev. In the session, they are expected to reaffirm the policy of rebuilding the bilateral relationship into a higher level one, as well as strengthening cooperation in the Asia-Pacific region. They are also expected to reach an accord on cooperation in the area of energy development in the Far Eastern region's of Siberia.

In 1998 in the days of the Yeltsin government, Russia joined the Asia-Pacific Economic Cooperation Forum, but Russia's interest has been limited to military affairs since the days of the former Soviet Union. The environment surrounding Russia, however, has now changed. Russia has been under pressure from the North Atlantic Treaty Organization (NATO) for its expansion policy toward the east, while its Far Eastern region of Siberia is suffering a sharp drop in the population and economic collapse and the region is also exposed to two threats: China's expansionism and a possible wildcat move by North Korea.

Japan's strategy toward Russia is how to have Russia committed to act as a major player in the region and to use such commitment as leverage to resolve the territorial issue.

Japan's approach at present is in line with its policy taken since 1989, when it turned around its previous fundamental policy of inseparability of politics from economics. But the current approach is somewhat different from its past "exit" argument, under which Japan saw Russia snatch only economic aid from Japan, partly because an environment is being prepared for Japan and Russia to seek a common ground for them to mutually complement each other in the Asia-Pacific region.

This, however, does not mean that there is any bright prospect for

the Northern Territories negotiations. Putin has expressed his eagerness to conclude a peace treaty with Japan, but he at the same time indicated his intention not to return even a single island of the disputed Northern Territories. Medvedev, who is seen as a liberal, is likewise a patriotic politician. A diplomatic source takes a view about him: "He will assume a much tougher line to avoid being condemned as being weak-kneed by a group attaching priority to armed struggles."

With the Russian side seeing the weak position of the Fukuda administration under the divided Diet, a source familiar with

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Japan-Russia relations made this comment: "The unstable political situation in Japan could give Russia an opportunity to prepare its excuse." But an ex-cabinet member of the ruling Liberal Democratic Party said firmly: "Should Japan put aside the territorial issue, it would mean the end of Japanese diplomacy."

Can both sides, whose positions are conflicting, make efforts and obtain results satisfying both sides? What should Russia do in order to get a true fruit? We hope the prime minister's tour of Russia will serve as the first step to let the Kremlin realize the answer to that question is one.

Moscow interested solely in economic affairs?

When Prime Minister Yasuo Fukuda is visiting Russia, a large Russian economic delegation from the Russian city of St. Petersburg, from which President Putin comes, will be sent to Japan on a four-day schedule starting on April 25. Backed by Putin, the Russia appears to aim to further approach Japan in the economic area, but it is not much interested in signing a peace treaty with Japan. Its positive approach to Japan is thus unlikely to lead directly to resolving the territory issue.

The above economic delegation of some 50 business leaders is led by St. Petersburg Mayor Matviyenko, who is close to Putin. The delegation is to fly from the city to Tokyo on the first direct flight in liner service opened by Russia's major airline company Transaero Airlines. The delegation will make an appeal for business opportunities to the Japanese side and attend an economic development conference with Japan.

(3) Serious accident caused by civilian employee of U.S. military not announced by Aomori prefectural police

ASAHI COMTOP (Full)  
April 25, 2008

It has been learned that a civilian employee working at the U.S. military's Shariki Communications Site in Tsugaru City, Aomori Prefecture - where the X-Band Radar is deployed as an early warning facility against incoming ballistic missiles - was involved in an automobile accident with another car in the same city last year in April, with a male riding in the other car suffering a serious injury. Although the prefectural police in principle announce the occurrence of accidents involving serious injuries, they did not do so in this case.

According to an informed source, last year in April, the automobile of the civilian employee crashed into a car it was trying to overtake and pass. A male riding in the car in front suffered a serious injury, with fractured ribs and vertebrae. The police last August sent forward papers (to the prosecutors) charging the civilian employee with the crime of professional negligence resulting in bodily injury.

In response to coverage of this story by Asahi Shimbun, the prefectural police explained: "We heard that the accident involved a light injury. It appears that the accident was below the standard of having to be announced."

Last October in Aomori Prefecture, a U.S. serviceman stationed at Misawa Air Base, while driving under the influence of alcohol,

committed a hit-and-run offense. This March, papers were sent forward (to the prosecutors), but the prefectural police did not announce this. On the other hand, papers were sent forward on April 23 charging a civilian employee working at the Shariki Communications Site with the crime of stealing into the residence of a female in Tsugaru City. In this case, the police announced the move, stating that "there was high interest by the neighbors" in this case.

(4) Police to send papers today on U.S. serviceman over rape

OKINAWA TIMES (Page 29) (Full)  
April 25, 2008

Okinawa prefectural police will send papers to prosecutors today on a U.S. Army corporal in his 20s for an alleged rape resulting in bodily injury. The corporal allegedly raped a Philippine woman in the city of Okinawa. In addition, the police will also send papers the same day to prosecutors on two U.S. Marines on a charge of robbery resulting in bodily injury. The two Marines are alleged to have robbed a taxicab driver of money on a street in the same city in 2006. The three U.S. servicemen are currently in the U.S. military's custody and expected to be turned over to Japanese police authorities after they are indicted.

The rape incident took place this February at a hotel in the city of Okinawa. The corporal, who was assigned to a surface-to-air guided missile (PAC-3) unit at the U.S. Air Force's Kadena base, is suspected of raping a Philippine woman. The victim was found by one of the hotel staff when she was slumped in the hotel's lobby, and she was carried on an ambulance to a hospital. Her acquaintance reported the incident to the police. The police asked the victim and her acquaintances about what happened to her. At the same time, the police conducted an on-the-spot inspection of a hotel room and other locations.

The robbery case occurred in July 2006 on a street in the city of Okinawa. Two foreign men allegedly held up a male cabdriver in his taxi and took several tens of thousands of yen from customers and his wallet containing about 300 dollars.

The Okinawa Police Station collected samples in the taxi to identify the criminal, according to investigative authorities. The police checked them with other samples from Marines who were booked in another incident, and those samples were identified with the two Marines. The two have admitted to the allegations, the police said. The Okinawa Police Station asked the U.S. military's investigative authorities for cooperation and is now investigating the case.

(5) Editorial: Mistaken shipment of SRM to Japan too serious to be brushed off as caused by simple mistake

MAINICHI (Page 5) (Full)  
April 25, 2008

Yoshinoya Holdings Co., which has served beef bowls on a 24-hour basis again, discovered at its meat-processing factory spinal columns in beef imported from the United States. Spinal columns are specified as a specified risk material (SRM) for BSE and required to be completely removed in shipments bound for Japan under a bilateral accord. In response, the government has decided to ban the import of beef products from the meat-processing plant in California that

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shipped the beef in question.

After the first case of BSE was reported in the U.S. in December 2003, the government completely banned imports of U.S. beef. In December 2005, Japan lifted the ban, setting the requirements of exporting only beef from cattle 20 months of age or younger and removing SRMs.

Only a month later, however, Japan re-imposed a total ban on U.S.

beef imports following a discovery of vertebral columns in a meat shipment. After ascertaining that workers at meat-processing plants in the U.S. are properly aware of the safety criteria set up for beef exports bound for Japan and that they are observing the criteria, Japan resumed U.S. beef imports in July 2006.

While Japan banned imports of U.S. beef, Yoshinoya had to suspend serving beef bowels. Yoshinoya has served again beef bowls on a 24-hour basis since this March, when a full amount of U.S. beef became available. But spinal columns were discovered in a shipment again.

Yoshinoya found the spinal columns at its processing plant in Saitama Prefecture in a box among 700 boxes of frozen boned rib of beef. Although there was no problem with the remaining 699 boxes of beef, the company disposed of them.

According to the U.S. Department of Agriculture (DOA), beef products intended for another country than Japan were erroneously packed into a box bound for the Japanese market. The Ministry of Agriculture, Forestry and Fisheries takes the view that there is no serious problem with the (the U.S. inspection) system.

When looking back over the experiences Japan and the U.S. have had over the BSE problem, we find the problem too serious to be easily disposed of by saying it was caused by just a simple mistake.

Japanese consumers are becoming nervous about the safety of food in the aftermaths of a poisoning outbreak caused by tainted Chinese dumplings and a series of food-labeling scandals. One supermarket after another has begun to suspend sales of U.S. beef once again. It is a matter of course for supermarket chains to take every possible measure to maintain consumers' confidence.

Promptly after discovering the SRM in U.S. beef, Yoshinoya reported it to the government. Owing to the report, the government was able to quickly take measures.

It is necessary to toughen inspections at airports and seaports, but it might be unrealistic to inspect all deliveries. In such a case, cooperation between the public and private sector is indispensable in order to remove problematical food products from distribution channels, as shown in the recent problem.

Needless to say, the U.S. must step up efforts to prevent a recurrent of similar problems. We ask the U.S. to pin down the cause of the problem and to hammer out preventive measures.

Seeing the suspension of sales of U.S. beef at supermarkets, Americans criticize Japan's responses as "excessive." But different countries have different perceptions about the safety of food. If the U.S. is eager to sell its beef on the Japanese market, it should take measures that will have Japanese consumers believe that U.S.

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beef is safe.

We would like to point out here that if the U.S. applies political pressure in an attempt to draw out a concession from Japan on the age limit, it would work negatively in the end.

(6) Editorial: U.S. beef -- Simple mistake fearful

TOKYO SHIMBUN (Page 5) (Full)  
April 25, 2008

A high-risk material that could contain BSE agents has been found again in beef imported from the United States. The government, which just recently announced its decision to establish a Consumer Agency, is required to secure the safety of food from the perspective of consumers.

Abnormal prions are believed to be BSE agents, and 99 PERCENT of them are contained in the brain, spinal cords, and vertebra columns of cattle. The Ministry of Health, Labor and Welfare has designated them as specified risk materials (SRM). Unless the specified risk

materials are removed completely, beef cannot be eaten with one's mind at ease. This should be the basic knowledge of the food distribution system.

The Ministry of Agriculture, Forestry and Fisheries has taken a view that the inclusion of SRM this time around was a simple mistake by a U.S. beef plant and that it occurred at the shipping stage. The ministry therefore plans to suspend imports from a U.S. beef plant that shipped the beef that contained SRM, and it will not impose a complete embargo on U.S. beef imports as the ministry did so two years ago when vertebral columns were found.

However, "a simple mistake" is fearful. A specified risk material was contained in one out of 700 cartons or 17 tons of frozen beef. But it is a serious matter that 27 kilograms of risk material was shipped to other country after slipping through inspection. The management and inspection process cannot escape being criticized for being sloppy. The United States cannot avoid being criticized for treating Japanese consumers lightly if a "simple mistake" occurs repeatedly.

The U.S. government and meat industry have asserted that Japan's quality demand is too strict, but the safety inspections of food that nurture the health and lives of people should be stricter. The risk was avoided this time around because Japan's domestic inspection system worked well.

It is said that the United States does not see BSE as a problem. But providing quality that is required by buyers is only common sense.

Last week, South Korea and the United States reached an agreement on the relaxation of U.S. beef import conditions. The United States, which is unhappy with Japan's tough import restrictions that allow only U.S. beef from cattle 20 months or younger, has stepped up its pressure on Japan to ease the restrictions. However, Japanese consumers, who have strong distrust in the quality management and the safety of imported food since a series of food-poisoning cases involving Chinese-made dumplings, will not likely be convinced with matters as they exist now.

The government should not conclude that the inclusion of a risk

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material was a simple mistake. It should call on the U.S. side to conduct an investigation to determine the cause, as well as come up with measures to prevent a recurrence. It is not too late to ease the restrictions after ascertaining that Japanese consumers are happy with the results of the investigation.

Japanese consumers have begun turning gradually away from "inexpensive food" to "safe food" in their buying habits.

(7) Editorial: U.S. beef: Do not make beef bowl fans cry

ASAHI (Page 3) (Full)  
April 25, 2008

Yet another problem has been found in the beef imported from the United States. One of the 700 boxes of short plate delivered via a trading firm to Yoshinoya Holdings Co., the largest operator of restaurants serving beef bowls, contained (short loin) with spinal columns.

To reduce risks associated with BSE, there is an agreement between Japan and the United States to remove spinal columns and other materials for exports to Japan.

Short loin with spinal columns is available on the U.S. market, so the products in question for the domestic market seem to have erroneously got mixed in the boxes for Japan. So concluding, the government has decided that there is no need to totally ban U.S. beef imports, although import inspections will be tightened.

Consumers will not have to worry because at-risk beef is unlikely to go into the distribution system. Nevertheless, we have experienced similar events in the past.

In December 2003, Japan shut its market to U.S. beef after a cow infected with BSE was found in the United States. In December 2005, Japan resumed imports of beef only from cattle aged 20 months or younger that are unlikely to accumulate BSE-causing agents on the condition specified risk materials (SRMs), such as spinal cords and the brain, be removed. Just a month later, a spinal column was discovered in a shipment of U.S. veal.

This raised skepticism on whether the U.S. system was sufficient to meet Japan's import conciliations. The government immediately banned U.S. beef imports altogether. The Japanese market reopened six months later. It has been a year and a half since then.

The incident this time around might have been a simple work-related mistake. Still, we are worried that similar mistakes might occur in the future.

The U.S. side must clearly explain why such an incident occurred and what it will do to prevent a recurrence. It must explain those points to Japanese consumers and seek their understanding. Sluggish consumption will not rebound unless consumer confidence is restored.

The governments of Japan and the United States have been in talks since last year on Washington's request to eliminate the age limit in order to expand exports to Japan. Japan was planning to raise the age limit to 30 months. But easing a condition would be meaningless when consumers turn their backs on U.S. beef.

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Washington might be wondering why the beef that Americans are eating at home does not sell well in Japan.

In the United States, there is no need to remove SRMs from cattle aged 30 months or younger. Restrictions have been eased gradually even in Europe, where the largest number of BSE-infected cattle has been found, and T-bone steaks from cattle aged 24 months or younger are consumed there, as well.

The number of BSE cases in Japan is far smaller than that in Europe. It is a fact that Japan's standards are the severest in the world. Japan's blanket testing of all cattle is also the strictest in the world. They come from the idea of reducing risk to the minimum possible level.

Despite that, consumers' trust in food safety is wavering in Japan. Their trust can be restored only with steady efforts. This applies to products produced overseas and at home.

SCHIEFFER